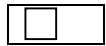


AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: JANUARY 17, 2007

DEPARTMENT: CITY ATTORNEY**DIRECTOR: BRADFORD R. JERBIC**☐ Consent ☒ Discussion**SUBJECT:**

Public hearing to determine the advisability of granting an electrical distribution service franchise to Nevada Power Company, pursuant to the purpose, character, term, time and conditions of the proposed franchise agreement - All Wards

Fiscal Impact**No Impact****Augmentation Required****Budget Funds Available****Amount:****Funding Source:****Dept./Division:****PURPOSE/BACKGROUND:**

Nevada Power Company, Inc. currently provides residents of the City with electric service pursuant to a non-exclusive franchise issued to it by the City, which agreement was renewed in 2004 for an additional three-year term. The City proposes the issuance of a new eighteen-year non-exclusive franchise to Nevada Power, in accordance with the terms and conditions of the Franchise Agreement incorporated in this bill. As consideration for this franchise, Nevada Power will pay the City annually five percent (5%) of its gross revenue in accordance with the provisions of LVMC 6.67.040.

RECOMMENDATION:

Public hearing only; no action required.

BACKUP DOCUMENTATION:

None

Minutes:

MAYOR GOODMAN declared the Public Hearing open.

MARK VINCENT, Director of Finance and Business Services, explained that the last franchise granted in 1979 was due to expire in 2004 and a short extension was granted. The term of the franchise will be for 18 years and will be coterminous with the current franchise with Clark County. The five percent franchise fee will be unchanged. MR. VINCENT outlined some of the terms of the agreement, such as poles, pole attachments requirements, upgraded liquidated damages from \$100 a day to \$500 a day for right-of-way violations and \$250 for non right-of-way violations. In addition, bond requirements were increased.

EDGAR PATINO, Nevada Power, 6226 West Sahara, indicated that a lot of work went into this agreement. The City's residents and Nevada's customers will benefit in years to come.

CITY COUNCIL MEETING OF: January 17, 2007

MAYOR GOODMAN declared the Public Hearing closed.

